

**EUGENE KATZ** *Certified Public Accountant*  
1407 TENNESSEE STREET • VALLEJO, CALIFORNIA 94590

TELEPHONE 642-8987  
FROM SAN FRANCISCO  
ASK OPERATOR FOR  
Enterprise 1-3909

June 27, 1972

FELLOWSHIP OF FRIENDS, INC.  
A California Non-Profit Corporation

REPORT ON OPERATIONS  
As of December 31, 1971

**EUGENE KATZ** *Certified Public Accountant*  
1407 TENNESSEE STREET • VALLEJO, CALIFORNIA 94590

TELEPHONE 642-8987  
FROM SAN FRANCISCO  
ASK OPERATOR FOR  
ENTERPRISE 1-3909

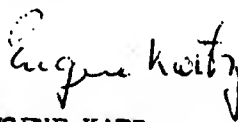
June 30, 1972

The Board of Directors  
Fellowship of Friends, Inc.  
Dobbins, California

I have examined the Balance Sheet of the Fellowship of Friends, Inc., as of December 31, 1971, and the related statements of Income and Fund Balance for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as I considered necessary in the circumstances.

During the above initial year of the corporation, there appeared to be a substantial lack of Internal Control in the handling and documentation of cash receipts and disbursements and the consistent recording and keeping of accounting records.

Because of the uncertainty caused by the above mentioned lack of Internal Control that could materially affect the determination of the financial position and result of operations of Fellowship of Friends, Inc., I do not express an opinion on the accompanying financial statements taken as a whole.

  
**EUGENE KATZ,**  
Certified Public Accountant

FELLOWSHIP OF FRIENDS, INC.  
A California Non-Profit Corporation  
Dobbins, Calif.

Schedule A

BALANCE SHEET  
As of December 31, 1971

ASSETS

Current Assets

Cash in Wells Fargo Bank, Marysville Branch	\$ 1,813	
Savings Account, Wells Fargo Bank, Marysville #6226-456630	3,885	
Impound Fund, Sacramento Savings & Loan	<u>849</u>	\$ 6,547
Accounts Receivable (Property Tax Duplicate Payment)	810	
Accounts Receivable, Miscellaneous	<u>340</u>	<u>1,150</u>
Total		<u>7,697</u>

Fixed Assets, at cost

Land (917 Acres Yuba County "Oregon House")		152,681
Buildings, Improvements, Equipment, Livestock, per Schedule A-1	31,158	
Less: Accumulated Depreciation	<u>1,405</u>	<u>29,753</u>
Total Assets		<u>190,131</u>

LIABILITIES

Current Liabilities

Current Portion of Long-Term Indebtedness	\$ 12,860
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Long-Term Liabilities

First Deed of Trust, Sacramento Savings & Loan Association, \$555-PM, incl. interest of 8.78%	29,633	
Second Deed of Trust, Joseph P. & Gertrude Farrell, \$100-PM, incl. 5% interest	14,842	
Third Deed of Trust, L.F. & M. Souza, \$5000-per year, plus 7% interest beg. Aug. 12, 1972	<u>89,486</u>	
Total	133,961	
Loans: N. Mattle and D. & B. Guido (Note 7)	<u>14,460</u>	
	148,421	
Less: Current Portion Above	<u>12,860</u>	<u>135,561</u>
Total Liabilities		<u>148,421</u>

FUND BALANCE/Reserve for Future Operations

41,710

FELLOWSHIP OF FRIENDS, INC.  
A California Non-Profit Corporation

Schedule B

Statement of Income & Expenses  
April 21, 1971 to December 31, 1971

<u>Income</u>			
Dues (For Teaching)			\$ 47,409
Contributions			14,528
Receipts for Food		10,266	
Less expenditures for: Food	9,726		
Beverages	421	10,147	
Net from Food Operation			119
Interest Earned			261
Total			<u>62,317</u>
<u>Expenses</u>			
Office, Postage & Stationery		320	
Insurance		128	
Utilities		977	
Auto & Travel		434	
Reimbursed Travel Expenses		2,669	
Kitchen Utensils & Supplies		1,970	
Maintenance & Repairs, Building & Equipment		1,320	
Maintenance & Repairs, Roads		670	
Supplies, Tools & Utensils		1,844	
Livestock Feed & Supplies		1,690	
Veterinary Expenses		32	
Trailer & Auto "rent" (Usage expense)		2,202	
Auto Licenses		189	
Property Tax		1,034	
Interest		1,378	
Sundry		2,345	
Total			<u>19,202</u>
<u>Net Income Before Depreciation</u>			<u>43,115</u>
Depreciation			<u>1,405</u>
<u>Net Income</u>			<u><u>41,710</u></u>
Beginning Fund Balance			-0-
Fund Balance, December 31, 1971			<u><u>41,710</u></u>

Prepared Without Expression of Audit Opinion

EUGENE KATZ  
Certified Public Accountant

FELLOWSHIP OF FRIENDS, INC.  
A California Non-Profit Corporation

COMMENTS AND RECOMMENDATIONS

The Fellowship of Friends, Inc. was incorporated under the laws of California on April 21, 1971, and received a tax-exempt determination as a religious organization from the California Franchise Tax Board on April 20, 1971, and from the Internal Revenue on June 23, 1971.

As indicated in the auditor's opinion the Internal Control, crucial in any operation's financial record keeping, left much to be desired with the Fellowship of Friends books.

1. Revenues

As suggested already to your staff, there should be receipts made out in numerical sequence for all cash and checks received and the nature and source should be clearly identified on a daily or weekly cash report. These reports then should be tied in with bank deposits. A manila envelope might be well suited for this purpose, listing the distribution of the company's major sources of income, e.g. Drawings from savings accounts, teaching dues, receipts for food, contributions, special projects, etc. in a printed format on the outside, the total of which should correspond with the total receipts kept inside.

All savings account withdrawals should first go into the general account and fully accounted for.

2. Expenses

All payments should be fully documented and preferably, a voucher copy of the check attached to the bill or other evidence of goods or services purchased, or as a minimum, the check number should be written on the specific bill. These bills should also be stamped e.g. purchase authorized: initial  
payment authorized: initial

All bills should be kept available either in vendor's alphabetical files, or a monthly paid bills file.

Minor expenditures should be handled through an imprest, replenishable petty cash fund, as discussed with your staff. Especially expenses incurred for "food, beverages and meal preparations" should be clearly identified, since they presumably off-set such receipts and are for a purpose other than for which the Fellowship is exempt.

3. Reimbursed Expenses

Payments to your minister and other authorized personnel for travel, meals, lodging etc. should be fully accounted for by bills, receipts and other identifying substantiation. Separate files for such purpose should be kept.

4. Compensation

In the case of payments other than the above reimbursed expenses, e.g. cash for compensation or payments for clothes to the minister and other personnel, compensation sheets should be kept up and a W-2 form be furnished at the end of the calendar year for "other compensation".

5. Bank Statements and accounts should be reconciled monthly and the canceled checks left with them, in order to avoid unexplained discrepancies. The bank statement reflected a charge of \$792 on July 21, 1971, which could not be identified, and the savings account a withdrawal of \$1,300 on September 7, 1971 that was not deposited in the general account (a guess that the latter was used for a down payment on a trailer seems unwarranted, since a check seemed to have been drawn for that purpose.)

Comments and Recommendations cont'd.

6. Equipment Ownership

There were numerous payments for trailer and autos although the Fellowship does not seem to hold legal title to this equipment. For this reason such payments were called auto "rent/usage" on the accompanying statements. In another instance vehicle payments were collected from membership and then paid to the lending institution directly without going through the books.

A determination should be made of who really owns the equipment and then followed with transfer of title and corresponding indebtedness to achieve a consistent method of accounting treatment.

7. It could not be fully substantiated whether amounts received from Nadia Mattle and David and Bonita Guido were donated surplus or unsecured loans or how repayable. A clarification should be provided.

8. An inventory of livestock should be kept up, with dates, purchase price and description, as well as sales information or other disposition.

Similarly, an inventory of major, non-expendable equipment and improvements should be maintained including the above information.

9. For better control purposes, a general ledger should be kept, with traceable monthly postings from the cash receipts, cash disbursements and general journal entries.

FELLOWSHIP OF FRIENDS, INC.  
(A California Non-Profit Corporation)  
Carmel, California

BALANCE SHEET  
As of December 31, 1972

SCHEDULE A

ASSETS

Current Assets

Cash in Wells Fargo Bank, Carmel Branch	335	
Savings Account, Wells Fargo Bank, Marysville	191	
Savings Account, Wells Fargo Bank, Carmel	<u>3,564</u>	4,090
Deposit on Meeting House	607	
Prepaid Finance Charges	<u>709</u>	1,316

Fixed Assets, at Cost

Land (917 Acres, Yuba County, "Oregon House")		152,745
Land Improvements	566	
Building and Improvements	23,887	
Equipment and Fixtures	8,950	
Airplane	<u>21,785</u>	
	<u>55,188</u>	
Less: Accumulated Depreciation	<u>7,460</u>	47,728

Other Assets

Investments		<u>2,250</u>
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TOTAL ASSETS

208,129

LIABILITIES

Current Liabilities

Accounts Payable on Investments	353	
Impound Fund, Sacramento Savings and Loan	282	
Current Portion of Long-Term Liabilities	<u>19,300</u>	19,935

Long-Term Liabilities

First Deed of Trust, Sacramento Savings and Loan Assoc., \$555 pm., incl. int. of 8.78%	27,860	
Second Deed of Trust, Joseph P. and Gertrude Farrell, \$100 pm., incl. 5% int.	14,373	
Third Deed of Trust, L.F. and M. Souza, \$5,000py., plus 7% int. beg. 8/12/72	84,486	
Note Payable, Mary Clayton, \$400 pm., No interest	15,500	
Contract Payable, Vaca Valley Bank, \$131.81 pm.	3,559	
Note Payable, Bank of America, \$36 pm.	<u>55</u>	
Total	<u>145,833</u>	
Loans: N. Mattle, D. Guido, and B. Guido	<u>13,270</u>	
	<u>159,103</u>	
Less: Current Portion Above	<u>19,300</u>	139,803

TOTAL LIABILITIES

159,738

FUND BALANCE/ Reserve for Future Operations

48,391

FELLOWSHIP OF FRIENDS, INC.  
A California Non-Profit Corporation

STATEMENT OF INCOME AND EXPENSES

SCHEDULE B

For Year Ending December 31, 1972

<u>Income - General Operations</u>		
Dues (for teaching)		53,922
Contributions:		
Cash	8,274	
Proceeds from Sale of Donated Truck	2,300	
Proceeds from Sale of Donated Automobile and Wine Press	<u>325</u>	10,899
Miscellaneous Income		4
Interest Income		<u>284</u>
Total		65,009
<u>Expenses - General Operations</u>		
Compensation to Teachers	3,462	
Automobile Expenses - Rental	3,602	
- Repairs, Maintenance, Gas, Etc.	3,761	
Airplane Expenses - Pilot Training	686	
- Repairs and Maintenance	938	
- Insurance	825	
Travel	4,086	
Journals and Notebooks	2,168	
Advertising	82	
Interest Expense	251	
Legal and Accounting	900	
Office, Postage and Stationery	560	
Rent	1,800	
Insurance	1,290	
Decorations	264	
Utensils	209	
Miscellaneous Expense	<u>62</u>	<u>24,946</u>
<u>Income from General Operations</u>		<u>40,063</u>
<u>Income - Ranch Operations</u>		
Contributions for Food and Lodging		4,949
<u>Expenses: Ranch Operations</u>		
Food	9,305	
Veterinarian	164	
Auto Expense	249	
Supplies	424	
Trailer Rental	497	
Insurance	345	
Miscellaneous	17	
Repairs and Maintenance	76	
Utilities	1,076	
Real Estate Taxes	2,965	
Interest	9,446	
Landscaping Expense	40	
Loss on Abandonment of Equipment	<u>99</u>	<u>24,703</u>
<u>Loss from Ranch Operations before Loss on Sale</u>		<u>(19,754)</u>
Loss on Sale of Livestock		<u>(650)</u>
<u>Loss from Ranch Operations</u>		<u>(20,404)</u>



LOWSHIP OF FRIENDS, INC.  
A California Non-Profit Corporation

STATEMENT OF INCOME AND EXPENSES

For Year Ending December 31, 1972

SCHEDULE B, Continued

<u>Income - Meeting House Operations</u>		
Contributions for Food and Lodging		4,601
<u>Expenses - Meeting House Operations</u>		
CARMEL		
Rent and Food	7,910	
Utilities	751	
Teachers' Expenses - Mileage, etc.	308	
VACAVILLE		
Rent and Food	645	
Utilities	68	
BERKELEY		
Teachers' Expenses	487	
HAWAII		
Teachers' Expenses	418	
LOS ANGELES		
Teachers' Expenses	567	11,154
<u>Loss from Meeting House Operations</u>		(6,553)
<u>Combined Profit from Operations Before Depreciation</u>		13,106
<u>Depreciation</u>		6,425
<u>Net Income</u>		6,681
 <u>Beginning Fund Balance, December 31, 1971</u>		41,710
Net Income, per above		6,681
<u>Fund Balance, December 31, 1972</u>		48,391

**EUGENE KATZ ACCOUNTANCY CORPORATION**

1407 TENNESSEE STREET • VALLEJO, CALIFORNIA 94590

TELEPHONE (707) 642-8987

FROM SAN FRANCISCO  
ASK OPERATOR FOR  
ENTERprise 1-3909

May 7, 1974

The Board of Directors  
Fellowship of Friends, Inc.  
Carmel, California

The accompanying statements of assets, liabilities and fund balances arising directly from cash transactions of the Fellowship of Friends, Inc., as of December 31, 1973, and the related statements of revenues collected, expenses disbursed and fund balances for the year then ended, were not audited by us and accordingly we do not express an opinion on them.

*Eugene Katz*  
Eugene Katz, C. P. A.  
EUGENE KATZ ACCOUNTANCY CORPORATION

FELLOWSHIP OF FRIENDS, INC.  
(A California Non-Profit Corporation)  
Carmel, California

STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE  
As of December 31, 1973

ASSETS

Current Assets

Cash on Hand	\$ 200	
Cash in Wells Fargo Bank, Carmel, Savings Account	46	
Savings Account, Wells Fargo Bank, Carmel, (L. A. Fund)	16,456	
Savings Account Wells Fargo Bank, Carmel, (Seattle Fund)	1,121	
Savings Account, Wells Fargo Bank, Carmel, (Sales Tax Deposit)	100	
Checking Account, Wells Fargo Bank, Carmel	302	
Accounts Receivable, Due from Golden Eagle		\$18,225
Inventory, Food at Ranch		622
Prepaid Finance Charges		150
Utilities Deposit		740
Impound Fund, Sacramento Savings & Loan Association		75
		743
Total Current Assets		20,555

Fixed Assets, at cost

Land (917 acres, Yuba County, "Oregon House")		152,745
Land Improvements	566	
Building and Improvements	23,887	
Equipment and Fixtures	13,954	
	38,407	
	6,353	
Less: Accumulated Depreciation		32,054
Construction in Progress		17,847

Other Assets

Investments		4,753
Total Assets		<u>227,954</u>

LIABILITIES

Current Liabilities

Accounts Payable	100	
Loan Payable, D. Davis, \$100-PM, no interest	600	
Current Portion of Long-Term Liabilities	13,100	
Total Current Liabilities		13,800

Long-Term Liabilities

First Deed of Trust, Sacramento Savings and Loan Association		
\$555-PM, incl. 8.78% interest	25,930	
Second Deed of Trust, Joseph P. and Gertrude Farrell,		
\$100-PM, incl. 5% interest	13,881	
Third Deed of Trust, L. F. and M. Souza		
\$5,000-PY, plus 7% interest beg. 8/12/72	79,486	
Contract Payable, Vaca Valley Bank, \$131.81-PM.	1,977	
Contract Payable, I. B. M., \$151.51-P.M., incl. 9 $\frac{1}{2}$ % interest	3,485	
Contract Payable, I. B. M., \$44-PM, incl. 12% interest	396	
Loans Payable: D. Guido	4,040	
B. Guido	4,040	
	133,235	
	13,100	
Less: Current Portion Above		120,135
Total Liabilities		<u>133,935</u>

Fund Balance/ Reserve for Future Operations

94,019

FELLOWSHIP OF FRIENDS, INC.  
(A California Non-Profit Corporation)  
Carmel, California

STATEMENT OF REVENUES COLLECTED AND EXPENSES DISBURSED  
For Year Ending December 31, 1973

SCHEDULE B

Revenue - General Operations

Dues (for Teaching)		
Contributions:		\$91,835
Cash	\$14,815	
Capital Improvement Fund Contributions	<u>21,042</u>	35,857
Interest Income		235
Miscellaneous Income		45
Total		<u>127,972</u>

Expenses - General Operations

Compensation to Teachers	22,567	
Automobile Expenses - Rental	2,751	
Repairs, Maintenance, Gas, etc.	4,249	
Airplane Expenses - Repairs and Maintenance	141	
Insurance	590	
Travel	17,748	
Journal and Notebooks	7,709	
Advertising	279	
Legal and Accounting	671	
Office Supplies	627	
Insurance	783	
Utilities and Telephone	2,932	
Maintenance and Repair	35	
Interest Expense	1,061	
Cash Short/(Over)	<u>( 17 )</u>	<u>62,126</u>

<u>Excess Revenue Collected Over Expenses Disbursed from General Operations</u>	<u>65,846</u>
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Revenue - Ranch Operations

Cattle Grazing Fees		240
Contributions for Food		<u>2,347</u>
Total		<u>2,587</u>

Expenses - Ranch Operations

Food	2,347	
Caretaker	915	
Veterinarian and Feed	60	
Automobile Expense	318	
Supplies	117	
Trailer Rental	938	
Insurance	265	
Repairs and Maintenance	122	
Real Estate Taxes	3,581	
Interest Expense	<u>8,915</u>	<u>17,578</u>

<u>Excess Expenses Disbursed Over Revenues Collected from Ranch Operations</u>	<u>(14,991)</u>
<u>Before Losses</u>	

FELLOWSHIP OF FRIENDS, INC.  
(A California Non-Profit Corporation )  
Carmel, California

STATEMENT OF REVENUES COLLECTED AND EXPENSES DISBURSED  
For Year Ending December 31, 1973

SCHEDULE B, Continued

<u>Excess Expenses Disbursed Over Revenues Collected from</u> <u>Ranch Operations, Before Losses On Sales of Assets</u>			\$(14,991)
<u>Sales of Assets</u>			
Loss on Sale of Ranch Equipment	\$ 446		
Abandonment Loss on Tents	756		<u>1,202</u>
<u>Excess Expenses Disbursed Over Revenue Collected from</u> <u>Ranch Operations</u>			(16,193)
<hr/>			
<u>Revenue - Meeting House Operations</u>			
Contributions for Food and Lodging			2,499
<u>Expenses - Meeting House Operations</u>			
Teachers' Expenses, Food and Lodging			<u>5,301</u>
<u>Excess Expenses Disbursed Over Revenues Collected from</u> <u>Meeting House Operations</u>			( 2,802)
<hr/>			
<u>Combined Excess Revenues Collected Over Expenses Disbursed</u> <u>Before Gains on Sales of Assets</u>			46,851
Gain on Sale of Airplane	3,379		
Gain on Sale of Investments	<u>1,500</u>		<u>4,879</u>
<u>Excess Revenues Collected Over Expenses Disbursed before Depreciation</u> <u>Depreciation</u>			51,730
			<u>6,102</u>
<u>Net Excess Revenues Collected over Expenses Disbursed</u>			<u>45,628</u>
<u>Beginning Fund Balance December 31, 1972</u>			48,391
<u>Net Excess Revenues Collected Over Expenses Disbursed, per above</u>			<u>45,628</u>
<u>Fund Balance, December 31, 1973</u>			<u>94,019</u>

FELLOWSHIP OF FRIENDS, INC.  
(A California Non-Profit Corporation)  
Carmel, California

STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE  
for the four months ending April 30, 1974

ASSETS

Current Assets

Cash on Hand	\$ 1,435	
Cash in Wells Fargo Bank, Carmel, Savings Account	48	
Savings Account, Wells Fargo Bank, Carmel	10,306	
Savings Account, Wells Fargo Bank, Carmel	2,140	
Savings Account, Wells Fargo Bank, Carmel (Sales Tax Deposit)	100	
Checking Account, Wells Fargo Bank, Carmel	918	\$ 14,947
Miscellaneous Receivables		1,889
Base Inventory, Food at Ranch		150
Prepaid Finance Charges		7,430
Deposits		667
Impound Fund, Sacramento Savings & Loan Association		282
Total Current Assets		<u>25,365</u>

Fixed Assets, at Cost

Land (917 acres, Yuba County, "Oregon House")		152,745
Land Improvements (including well, tank, roads and trees)	8,716	
Building and Improvements	60,037	
Furnishings, Draperies & Carpet	7,750	
Dishware, Kitchenware, Silver & Linens	8,613	
Equipment and Tools	2,644	
Trailers	23,278	
Automotive Equipment - Carryall	2,200	
Library	3,074	
Office & Journal Equipment	5,960	
	<u>122,272</u>	
Less: Accumulated Depreciation	6,989	115,283
Construction in Progress - Vineyard Development		5,194
- Trailer Park Development		75

Other Assets, at Cost

Investments - Antiques

Total Assets

13,078  
311,740

FELLOWSHIP OF FRIENDS, INC.  
(A California Non-Profit Corporation)  
Carmel, California

STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE  
for the four months ending April 30, 1974

LIABILITIES

Current Liabilities

Accrued Interest, L. F. Souza	\$ 4,173	
Loan Payable, D. Davis, \$100-PM	200	
Total Current Liabilities		\$ 4,373

Long Term Liabilities

First Deed of Trust, Sacramento Savings and Loan Association, \$634-PM, incl. interest of 8.78%	25,249	
Second Deed of Trust, Joseph P. and Gertrude Farrell, \$100-PM, incl. 5% interest	13,711	
Third Deed of Trust, L. F. and M. Souza, \$5,000.00-PY, plus 7% interest beg. 8/12/72	79,486	
Contract Payable, Vaca Valley Bank, \$131.81-PM	1,186	
Contract Payable, IBM, \$151.51-PM incl. 9.5% interest	2,576	
Contract Payable, IBM, \$44-PM, incl. 12% interest	176	
Contract Payable, Wells Fargo, \$264.19-PM	15,851	
Contract Payable, Wells Fargo, \$194.74-PM	11,684	
Contract Payable, Wells Fargo, \$143.00-PM	1,716	
Loans Payable: David Guido	3,880	
Bonita Guido	4,040	
Total Liabilities		<u>159,555</u> <u>163,928</u>

Fund Balance/Reserve for Future Operations

147,812

FELLOWSHIP OF FRIENDS, INC.  
(A California Non-Profit Corporation)  
Carmel, California

STATEMENT OF REVENUES COLLECTED AND EXPENSES DISBURSED  
For the four months ending April 30, 1974

Revenue - General Operations

Dues (for Teaching)

\$ 57,567

Contributions:

Cash

\$ 2,175

Capital Improvement Fund Contributions

45,157

47,332

Interest Income

336

Total

105,235

Expenses - General Operations

Compensation for Associate Ministers

15,252

Automobile Expenses - Rental

2,346

- Repairs, Maintenance, Gas, Etc.

2,641

- Insurance

725

Travel

10,884

Journal, Net of Reimbursements

23

Bookmarks, Posters, and Advertisements

1,257

Office Supplies

445

Rent

240

Telephone

1,394

Interest Expense

255

Depreciation

225

Total Expenses - General Operations

35,687

Expenses - Meeting House Operations

Berkeley - Rent and Supplies

752

Carmel - Rent

630

Santa Barbara - Supplies

16

Seattle - Miscellaneous

80

Sacramento - Miscellaneous

7

Los Angeles - Rent

90

Total Expenses - Meeting House Operations

1,575

(continued)



FELLOWSHIP OF FRIENDS, INC.  
(A California Non-Profit Corporation)  
Carmel, California

STATEMENT OF REVENUES COLLECTED AND EXPENSES DISBURSED  
For the four months ending April 30, 1974

(continued)

Expenses - Ranch Operations

Food, Net of Reimbursements	\$ 192
Salaries	765
Veternarian and Feed	456
Automobile Expense	1,356
Supplies	586
Trailer Rental	547
Insurance - General	354
- Trailer	250
Utilities and Telephone	696
Laundry	25
Repairs and Maintenance	598
Real Estate Taxes	1,688
Interest Expense	5,131
Depreciation	886
Carpeting Abandoned	448
Miscellaneous Expenses	203

Total Expenses - Ranch Operations

\$ 14,181

Net Excess Revenues Collected Over Expenses Disbursed

53,792

Beginning Fund Balance January 1, 1974

94,020

Excess Revenues Over Expenses Disbursed

53,792

Fund Balance, April 30, 1974

\$ 147,812

FELLOWSHIP OF FRIENDS, INC.  
(A California Non-Profit Corporation)  
Carmel, California

STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE  
for the six months ending June 30, 1974

ASSETS

Current Assets

Cash on Hand		
Cash in Wells Fargo Bank, Carmel	\$ 1,478	
Savings Accounts	6,118	
Checking Account	8,253	
Miscellaneous Receivables	2,525	
Prepaid Finance Charges	7,100	
Deposits	667	
Impound Fund-Sacramento Savings and Loan Association	846	
Base Inventory - Food at Ranch	150	
Total Current Assets		\$ 27,137

Fixed Assets at Cost

Land (917+ acres, Yuba County, "Oregon House")		152,745
Land Improvements (including well, redwood tank, roads & trees)	9,892	
Buildings		
Main House	72,688	
Barn and Barn Area	1,082	
Lower House (Expando Trailer)	2,246	
Furnishings and Accessories (including furniture, drapes, carpeting, kitchenware, dishware, silverware and linens)	23,230	
Library	3,852	
Ranch Equipment and Tools	2,463	
Automotive Equipment	2,344	
Trailers	23,278	
Office and Journal Equipment	6,368	
Meeting House Equipment	1,131	
	148,574	
Less: Accumulated Depreciation	9,318	139,256

Construction in Progress

Vineyard Development	11,391
Trailer Park Development	75

Other Assets, at Cost

Investments - Antiques & Coins	19,903
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TOTAL ASSETS

350,507

FELLOWSHIP OF FRIENDS, INC.  
(A California Non-Profit Corporation)  
Carmel, California

STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE  
for the six months ending June 30, 1974

LIABILITIES

Current Liabilities

Accrued Interest, L. F. Souza	4,637
Current Portion of Long Term Liabilities	<u>18,285</u>
Total Current Liabilities	22,922

Long Term Liabilities

Trust Deed Mortgages Payable		
First Deed of Trust, Sacramento Savings & Loan Assoc., \$634-PM, incl. interest of 8.78%	24,902	
Second Deed of Trust, Joseph P. and Gertrude Farrell, \$100-PM, incl. 5% interest	13,625	
Third Deed of Trust, L. F. and M. Souza, \$5000.00-PY, plus 7% interest beg. 8/12/72	79,486	
Contracts Payable		
Vaca Valley Bank, \$131.81 PM	923	
IBM 151.51 PM	2,273	
Wells Fargo 264.19 PM	15,323	
Wells Fargo 194.74 PM	11,295	
Wells Fargo 143.00 PM	1,573	
Note Payable		
Solano County Grange, \$78.20 PM	2,246	
Loans Payable		
David Guido	3,736	
Bonita Guido	4,040	
	<u>159,422</u>	
Less: Current Portion of Long Term Liabilities	<u>18,285</u>	<u>141,137</u>
Total Liabilities		164,059

FUND BALANCE

Fund Balance/Reserve for Future Operations (per Schedule 2)	<u>186,448</u>
Total Liabilities and Fund Balance	<u><u>350,507</u></u>

FELLOWSHIP OF FRIENDS, INC.  
(A California Non-Profit Corporation)  
Carmel, California

STATEMENT OF REVENUES COLLECTED AND EXPENSES DISBURSED  
For the six months ending June 30, 1974

<u>Revenues - General Operations</u>		
Teaching Dues	92,976	
Ranch Donations	55,004	
Trailer Park Donations	1,450	
Other Special Donations	19,522	
Total		168,952
Anonymous Donations		336
Miscellaneous Income (including interest, sales of assets, and sale of books)		225
Total Revenues		169,513
<u>Expenses - General Operations</u>		
Compensation of Ministers	25,233	
Automobile Expenses - Rental	3,634	
Gas, Maintenance, Etc.	3,803	
Insurance	725	
Bookmarks, Posters and Advertisements	1,547	
Interest	381	
Journal and Workbooks, net of reimbursement	804	
Legal and Accounting	501	
Miscellaneous	(22)	
Office - Rent	526	
Supplies	1,064	
Telephone	2,423	
Travel	12,802	
Depreciation	365	
Total Expenses - General Operations		53,786
<u>Expenses - Meeting House Operations</u>		
Berkeley - Rent and Supplies	1,473	
Carmel - Rent	955	
Los Angeles - Rent	270	
Santa Barbara - Supplies	67	
Total Expenses - Meeting House Operations		2,765

(continued)

## Schedule 2 (continued)

FELLOWSHIP OF FRIENDS, INC.  
 (A California Non-Profit Corporation)  
 Carmel, California

STATEMENT OF REVENUES COLLECTED AND EXPENSES DISBURSED  
 For the six months ending June 30, 1974

Expenses - Ranch Operations

Food, net of reimbursements	929
Salaries	2,149
Auto and Truck Maintenance	2,666
Insurance	354
Interest	6,075
Laundry	25
Miscellaneous	203
Real Estate Taxes	1,688
Repairs and Maintenance	836
Supplies	1,019
Telephone	99
Trailer Rental	726
Utilities	1,087
Veterinarian and Feed	786
Depreciation	<u>2,698</u>

Total Expenses - Ranch Operations

21,340Expenses - Trailer Operations

Insurance	250
Interest	228
Supplies	16
Depreciation	389
Less: Rental Income	<u>(389)</u>

Total Expenses - Trailer Operations

494

Total Expenses

78,385

Net Excess Revenues Collected over  
 Expenses Disbursed

91,128Reconciliation of Fund Balance

Fund Balance, January 1, 1974	94,020
Add: Prior Period Adjustments	1,300
Add: Excess Revenues over Expenses Disbursed, January 1, 1974 to June 30, 1974	<u>91,128</u>
Fund Balance	<u><u>186,448</u></u>

FELLOWSHIP OF FRIENDS, INC.  
(A California Non-Profit Corporation)  
Carmel, California

STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE  
for the nine months ending September 30, 1974

ASSETS

Current Assets

Cash on Hand	
Cash in Wells Fargo Bank, Carmel	\$ 2,295
Savings Accounts	
Checking Account	29,608
Miscellaneous Receivables	1,335
Prepaid Finance Charges	2,455
Deposits	6,635
Impound Fund-Sacramento Savings and Loan Association	1,602
Base Inventory - Food at Ranch	1,692
	<u>750</u>

Total Current Assets

\$46,372

Fixed Assets at Cost

Land (917+ acres, Yuba County, "Oregon House")		152,745
Land Improvements (including well, redwood tank, roads & trees)	18,249	
Buildings		
Main House	90,928	
Barn and Barn Area	1,173	
Lower House (Expando Trailer)	2,246	
Furnishings and Accessories		
(including furniture, drapes, carpeting, kitchenware, dishware, silverware and linens)	35,510	
Library	4,956	
Ranch Equipment and Tools	3,513	
Automotive Equipment	9,223	
Trailers	23,278	
Office and Journal Equipment	6,597	
Meeting House Equipment	1,130	
	<u>196,803</u>	

Less: Accumulated Depreciation

12,317      184,486

Construction in Progress

Vineyard Development	22,315
Trailer Park Development	3,342

Other Assets, at Cost

Investments - Antiques & Valuables	
(other than those included in	
furnishings, above)	
	<u>22,118</u>

TOTAL ASSETS

431,378

FELLOWSHIP OF FRIENDS, INC.  
(A California Non-Profit Corporation)  
Carmel, California

STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE  
for the nine months ending September 30, 1974

LIABILITIES

Current Liabilities

Accrued Interest, L. F. Souza	\$ 869
Current Portion of Long Term Liabilities	<u>23,368</u>

Total Current Liabilities \$24,237

Long Term Liabilities

Trust Deed Mortgages Payable	
First Deed of Trust, Sacramento Savings & Loan Assoc., \$634-PM, incl. interest of 8.78%	24,371
Second Deed of Trust, Joseph P. and Gertrude Farrell, \$100-PM, incl. 5% interest	13,495
Third Deed of Trust, L. F. and M. Souza, \$5,000.00-PY, plus 7% interest beg. 8/12/72	74,486
Contracts Payable	
Vaca Valley Bank, \$131.81 PM	659
IBM 151.51 PM	1,818
Wells Fargo 264.19 PM	14,530
Wells Fargo 194.74 PM	10,711
Wells Fargo 143.00 PM	1,144

Note Payable

Solano County Grange, \$78.20 PM	1,711
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Loans Payable

David Guido	3,666
Bonita Guido	4,040
Bruce Helt	<u>1,000</u>

Less: Current Portion of Long Term Liabilities	151,631	
	<u>23,368</u>	<u>128,263</u>

Total Liabilities 152,500

FUND BALANCE

Fund Balance/Reserve for Future Operations  
(per schedule 2)

278,878

Total Liabilities and Fund Balance

431,378

FELLOWSHIP OF FRIENDS, INC.  
(A California Non-Profit Corporation)  
Carmel, California

Schedule 2

STATEMENT OF REVENUES COLLECTED AND EXPENSES DISBURSED  
for the nine months ending September 30, 1974

Revenues - General Operations

Teaching Dues	\$150,643	
Ranch Donations	76,761	
Trailer Park Donations	6,696	
Other Special Donations	<u>72,485</u>	
Anonymous Donations		\$306,585
Miscellaneous Income (including interest, sales of assets, and sale of books)		<u>1,350</u>
		374
Total Revenues		<u>308,309</u>

Expenses - General Operations

Compensation of Ministers	38,909	
Automobile Expenses - Rentals	5,578	
- Gas, Maintenance, Etc.	5,827	
- Insurance	725	
Bookmarks, Posters and Advertisements	2,231	
Insurance	500	
Interest	449	
Journal and Workbooks, net of reimbursement	804	
Legal and Accounting	1,141	
Miscellaneous - cash over	(22)	
Office - Rent	976	
- Supplies	2,353	
Telephone	3,311	
Travel	20,404	
Depreciation	<u>615</u>	
Total Expenses - General Operations		<u>83,801</u>

Expenses - Meeting House Operations

Berkeley - Rent and Supplies	2,684
Carmel - Rent	725
Los Angeles - Rent	720
Santa Barbara - Supplies	<u>67</u>

Total Expenses - Meeting House Operations      4,196

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FELLOWSHIP OF FRIENDS, INC.  
(A California Non-Profit Corporation)  
Carmel, California

STATEMENT OF REVENUES COLLECTED AND EXPENSES DISBURSED  
for the nine months ending September 30, 1974

Expenses - Ranch Operations

Food, net of reimbursements	(18)
Salaries	3,762
Auto and Truck Maintenance	6,788
Insurance	794
Interest	8,722
Laundry & Household Supplies	405
Miscellaneous	347
Real Estate Taxes	1,688
Repairs and Maintenance	1,319
Supplies	1,718
Telephone	176
Trailer Rental	726
Utilities	2,168
Veterinarian and Feed	1,705
Depreciation	5,056

## Total Expenses - Ranch Operations

35,356

Expenses - Trailer Operations

Insurance	250
Interest	570
Supplies	772
Depreciation	780
Less: Rental Income	(974)

## Total Expenses - Trailer Operations

1,398

## Total Expenses

124,751

Net Excess Revenues Collected over  
Expenses Disbursed

183,558

Reconciliation of Fund Balance

Fund Balance, January 1, 1974	94,020
Add: Prior Period Adjustments	1,300
Add: Excess Revenues over Expenses Disbursed January 1, 1974, to September 30, 1974	183,558
Fund Balance	278,878